

Minutes
State Board of Education
Monday, April 25, 2005

The Arizona State Board of Education held its monthly meeting at the Arizona Department of Education, 1535 West Jefferson, Phoenix, AZ 85007. The meeting was called to order at 9:10AM.

Members Present

Mr. Jesse Ary
Ms. Nadine Mathis Basha
Dr. Michael Crow
Dr. Matthew Diethelm
Ms. JoAnne Hilde
Superintendent Tom Horne
Ms. Joanne Kramer
Ms. Anita Mendoza
Dr. Karen Nicodemus
Ms. Cecilia Owen
Dr. John Pedicone

Board Business

Pledge of Allegiance, moment of silence and roll call.

1. APPROVAL OF MINUTES

- A. March 28, 2005
- B. February 28, 2005 - Executive Session

Motion by Ms. Basha to approve the minutes for the February 28, 2005 Executive Session and the March 28, 2005 Regular State Board meeting. Seconded by Ms. Kramer. *Motion passes.*

2. BUSINESS REPORTS

- A. President's Report

Dr. Diethelm attended the NASBE Study Session regarding Value-Added Assessment where Dr. Sanders, whose work is statistically complicated, warned against simplistic modifications.

Dr. Diethelm noted his appreciation to all those who will be participating in the May 9, 10, and 11, 2005, AIMS Standard Setting Sessions.

- C. Superintendent's Report

Mr. Horne will be on the national NBC Good Morning program debating a representative of Ms. Magazine regarding the "take your child to work" day. Mr. Horne stated that he believes this should be done in the summer when the child does not miss school. Mr. Horne stated that encouraging kids to play hooky and not having to learn their academics is not consistent with preparing them for the job market.

- B. Board Member Reports

Ms. Hilde stated her appreciation for the parking spaces that are designated for Board members on meeting days.

- C. Director's Report, Including Discussion Regarding AIMS Standards Setting and Alternate Meeting Locations

Mr. Yanez noted that alternate locations for State Board meetings are being explored. The East Valley Institute of Technology (EVIT) will host the State Board meeting in December 2005 and two other meetings have been tentatively scheduled for off-site locations.

Mr. Yanez asked members to notify the State Board Office if they plan on attending the AIMS Standard Setting Sessions to be held May 9-11, 2005, and indicate the specific area of interest. Mr. Yanez added that members will be directed to one of the 17 rooms being used to avoid violation of the

Open Meeting Law. He added that a chart of the activities for each day should be available from the Department that can be utilized in making the room assignments for members. Mr. Yanez reminded members that they will be observers only.

3. CONSENT ITEMS

A. Consideration to Approve Contract Abstracts.

Regarding Contract Number 1, for renewal of the AIMS Intervention and Dropout Prevention Program, Ms. Basha noted that there has been a history of funding for this since 2000 and expressed concern that items relating to AIMS should not be included in the Consent Agenda while AIMS is being discussed and issues are being worked through. Ms. Basha stated that there is not enough complete background information regarding the history of this contract, the required annual audits, and the effectiveness of the activity.

Ms. Cecilia Owen removed herself from the discussion due to a conflict of interest noting that procurement, locations in terms of the grant receivers, and effective performance should be reviewed. Dr. Karen Butterfield, Deputy Associate Superintendent, Academic Achievement, Arizona Department of Education, noted that independent review audits are contracted as per Arizona Revised Statute each year. She added that the contract needs to be extended another year because more data is needed regarding how these programs are working, whether the graduation rate is increasing, whether AIMS test scores are improving and whether the interventions are working.

Ms. Basha wondered why we don't have adequate data if this has been ongoing since 2000 and Dr. Butterfield noted that more than one year of data is necessary to demonstrate success in any program. She added that 16 months ago some of the grantees did not have strong intervention programs or strong results. Since that time, Ms. Maxine Daly, Coordinator, Academic Achievement Division, Arizona Department of Education, has been communicating with the grantees regarding the required criteria and expected data. Dr. Butterfield reported that from the last audit, there is evidence of some growth in terms of approaching the standards and particularly from failing to approaching there is growth. Dr. Butterfield will keep the Board informed regarding the grantees' progress.

Ms. Basha requested that, as a matter of policy, all items regarding AIMS be included on the State Board's regular agenda while AIMS issues are still being discussed.

Superintendent Horne explained that previously the emphasis was on dropout and since 2003 the emphasis was changed to AIMS based on the quality of the intervention programs. The number of grantees has also been reduced.

Mr. Yanez noted that additional information in terms of evaluations of these programs can be made available to members next month providing an opportunity for members to see how previous programs are performing. This would delay the grant monies' distribution by one month.

Dr. Butterfield noted that this would be a huge delay for districts that are planning now for next year's budget. She outlined that the process to date includes monitoring what the school is doing with the funds and that the criteria of the grant are being met. Additionally, grantees follow the students for 9 months after graduation, oversight monitoring is continued by the Department, and then a full audit report is completed.

Motion by Ms. Basha to approve with the stipulation that any other items relating to AIMS will not be on the Consent Agenda but will be on the General Agenda and that a review of this program be presented to the State Board in thirty (30) days. Seconded by Dr. Pedicone. *Motion passes.*

Ms. Owen recused herself.

Dr. Nicodemus requested that a list of applicants be included in the contract information submitted to the State Board.

Ms. Hilde requested that the State Board be added to the list of report recipients.

B. Consideration to Accept the Recommendation of the Arizona School Boards Association and Appoint Dr. Joan Fleming to the WestEd Board of Directors.

C. Consideration to Approve the Gross Domestic Product Implicit Price Deflator.

- D. Consideration to Approve Additional Monies for Teacher Compensation for the Fiscal Year 2005-2006, Pursuant to A.R.S. § 15-952 and A.R.S § 15-537.
- D. Consideration to Budget and Accumulate in the Unrestricted Capital Section for Sanders Unified School District for FY 2005-2006.
- E. Consideration to Approve Proposals for Training Programs Relating to Provisional Structured English Immersion Endorsements.
- F. Consideration to Approve Proposals for Training Programs Relating to Full Structured English Immersion Endorsements.
- H. Consideration to Accept the Voluntary Surrender of the Teaching Credentials of Barry Levitt, Case # C-1999-46.
- I. Consideration to Accept the Proposed Negotiated Settlement Agreement in the Matter of the State Board of Education v. Susan Shaw, Case No. C-2004-126.
- J. Consideration to Accept the Recommendations of the Professional Practices Advisory Committee and Approve Certification for Erica L. Miraldi, Case #C-2005-004 R.

Motion by Ms. Basha to approve the Consent Agenda with the exception of Item 3A-1 for further discussion. Seconded by Dr. Pedicone.

Ms. Lisette Flores, Chief Investigator, Investigative Unit, Arizona State Board of Education, stated that the Investigative Unit has received additional information regarding State Board of Education v. Ms. Susan Shaw and requested that this item be pulled from the agenda for further investigation.

Motion amended by Ms. Basha to include the request to pull Item 3I and seconded by Dr. Pedicone.
Motion passes.

4. CALL TO THE PUBLIC

Ms. Diane Laufenberg, Teacher, Mt. Elden Middle School, Flagstaff, Arizona, addressed the State Board regarding the Social Studies Standards, the standards articulation, and the way it is conducted.

Ms. Laufenberg stated the following concerns:

- Almost a year, in complete confidentiality, was taken to draft the new 187-page document;
- The document went up for public review on March 1 and was up for 25 days;
- Four public meetings were held;
- The document has gone back for committee review under complete confidentiality;
- Need to review how standards are being drafted as process is entirely too closed;
- Committee members have to sign an agreement that they will not speak at all to anyone about the process;
- Goal is to get best possible standards that are the most appropriate for students;
- Process needs to be more transparent;
- The only public meeting held north of Phoenix was in Flagstaff on Monday of Spring break for NAU, FUSD and many northern Arizona districts, which was restrictive and had only 14 attendees;
- The sheer number of performance objectives that have been articulated seem to be voluminous and have exceeded reasonableness (please see data in handout);
- These objectives do not include comprehensive health, PE, Arts, Music, Foreign Languages, Tech Standards or the Workplace Skills;
- Guidance is needed from the Board to be reasonable in this process; and
- The State Board needs to review the public comment regarding this issue and make a wise choice for teachers and students.

5. GENERAL SESSION

- A. Presentation and Discussion of the Arizona Academic Scholars Program.

Dr. Diethelm, as a member of the Board of Directors of the Arizona Business and Education Coalition (ABEC), stated that ABEC supports K-12 education with linkage to pre-school and hiring in the

workplace (P-20). He noted that one of ABEC's key strategic items is advocacy around increased student achievement and one focus of the goal is high school reform and preparation. Dr. Diethelm added that six of eleven community forums have been held regarding high school reform to:

- Get in touch with the community;
- Provide feedback to policy makers at the Arizona Department of Education;
- Broaden conversation and increase public awareness of high school renewal reform; and
- Strengthen community support in these efforts.

Dr. Diethelm stated that ABEC is kicking off the first Arizona Academic Scholars Initiatives in Snowflake, Payson, Peoria and Flowing Wells. These initiatives have a more rigorous curriculum targeted not to the upper end but to the middle 50% of students. Business partners are brought into classrooms and encourage students to register for more rigorous curriculum

Ms. Mary Wolf, Project Manager, ABEC, presented further information regarding the grant program via PowerPoint Presentation. (Please see materials in packet). Ms. Wolf noted that other districts are being encouraged to participate in these programs and can contact her any time.

B. Presentation, Discussion and Consideration of Issues Related to AIMS Standards Setting. The Board May Modify the Current Standards Setting Schedule

Mr. Stephen Mesmer, Vice President of Programs, CTB/McGraw-Hill, who is responsible for the successful delivery of the Arizona DPA, high school and NRT programs, invited the members to attend the standards setting meetings on May 9-11, 2005, and stated that CTB will assist in making informed decisions. Mr. Mesmer introduced Dr. Karla Egan, who presented the process.

Dr. Karla L. Egan, Senior Research Manager, CTB/McGraw-Hill, using a PowerPoint Presentation (please see complete presentation materials in the packet), described the following:

- Standard setting process (Phase One);
- The scientific methodology to be used by the state teaching committees to establish their recommended performance cuts during May 9-11;
- The process that the National Assessment and Accountability Advisory Committee (NAAAC) will use to provide their recommendations to the State Board (Phase Two); and
- Illustration of the information to be provided to the State Board during and after the standards setting to enable the Board to make an informed decision on the evaluation, impact and final determination of the performance level cuts (Phase Three).

Dr. Egan added that NAAAC may suggest smoothing the results in an effort to make sense of the data in adjusting the cut score. She noted that in this process it is necessary to make sense of what is acceptable at the high school level. She stated that oftentimes NAAAC will compare prior year results because significant shifts may raise questions in the public's mind.

Regarding the Standard Error of Measurement (SEM), Dr Egan explained that this is a statistical phenomenon that is present in any type of test but is unrelated to the scoring accuracy and answer key of that test. She added that it has to do with the variance of a single student taking the same test more than once. The SEM is the difference between the student's score and their hypothetical lowest and highest score.

Dr. Egan noted that the results that will come to the Board will have results from the standards setting that are content-based recommendations as they have come through the NAAAC so the cut scores will be psychometrically defensible.

Dr. Egan stated that the State Board will look at this process in three rounds:

- High school pass rates;
- Across grade consistency; and then
- Across content area consistency.

Further discussion ensued regarding the purpose of this process, the importance to be transparent and share with others as the process goes along, as each round is in a state of transition. The point was

made that the standards to be set are about whether or not this is a reasonable expectation of students at this level. Dr. Pedicone reiterated that the purpose of this process is accountability for schools, districts and students.

Dr. Donna Lewis, Associate Superintendent, Accountability Division, Arizona Department of Education, reported that 144 stakeholders from across the state, on behalf of the State Board, will be going through the process that Dr. Egan has described. In addition, Dr. Lewis noted the following approximate statistics regarding the diversity of the stakeholders:

- 45 from rural areas and 100 from urban/suburban areas
- 26 from northern Arizona, 64 from central Arizona, 36 from southern Arizona
- Ethnicity of some of the 144 stakeholders:
 - 16 Hispanic, 8 Native American, 7 black, 1 Asian
- Approximately 100 are teachers, 20 are educators in other roles in education, 6 are parent community members and 7 are from charter schools
- 88 districts are represented
- All counties are represented

Ms. Roberta Alley, Deputy Associate Superintendent, Assessment Division, Arizona Department of Education, noted the following:

- The high school Math test has 85 operational items and 15 field test items; and
- The elementary test has 85-90 items over three sessions which include Dual Purpose, field test and operational items.

The State Board took a break at 11:00AM and reconvened at 11:15AM.

Dr. Crow left the meeting at 11:30AM.

Mr. Mesmer outlined three scenarios of completion, based on the date the Board sets the final cut scores as outlined in the chart provided in the materials packet. Originally, Plan A was based on having the reports in by June 1 but a recent request to have the high school exam data for the standards setting has resulted in a re-prioritization of resources in order to process the full sets of data for high school. As a result, attention has slightly shifted from the DPA and Plan B is the result. Plans B, C, and D are outlined in the materials provided and depict the projected delivery dates of reports based on the dates that the State Board completes the standards setting process.

Mr. Mesmer explained that the delay in receiving reports is caused by a shift in resources from the originally programmed tasks and the fact that additional work will be going on in terms of internal review after the State Board has finalized its decisions. Mr. Mesmer noted that there are cost impacts in time delays.

Further discussion ensued regarding ongoing cost impacts in time delays, the reasons for the increased costs, i.e. volume and complex results, double and triple shifts to output data, maintaining the level of quality, etc.

CTB's estimate of the additional costs resulting from a time delay ranges from \$300K - \$500K and covers additional resources (personnel), time allotted for printers, and the possibility of over-ordering since the fall enrollment numbers will not be determined in time. Members expressed great concern regarding the additional costs to the state for a one or two day delay. Mr. Mesmer noted that CTB has been creative and done unprecedented things to turn around reports in 30 days with their volume and complexity as well as serve in the standard setting process. Mr. Mesmer added that the high quality checks are still there in spite of the long hours being put in as well as the 100+ additional programs that CTB is servicing. When asked if there was a way for CTB to work with some of the other states to make adjustments to timelines so the reports can be completed without the high additional costs, Mr. Mesmer responded that this has already been explored and the additional cost range is the worst case scenario that can happen and that CTB will continue to be as creative as possible to serve Arizona. Regarding a best case scenario, Mr. Mesmer noted that the estimated range is in the ball park if all down-stream effects are considered.

Ms. Basha asked how the State Board was expected to make such important decisions in such a short timeframe. Mr. Mesmer stated that the need to get the data back drove the schedule and that it is not unprecedented for a State Board to make quick decisions with information from the teacher committees and the NAAAC.

Ms. Mendoza asked if there is room for negotiation if there is error on the part of CTB causing the time requirements to not be met. Mr. Mesmer responded that CTB is here to provide the quality needed and meet the needs, but in case there was a date change, they would look at it on a one-to-one basis.

Dr. Nicodemus noted that since a negotiated contract is in place and the State Board has to follow a process that does not allow members to do diligence, then an alternative path for the 2006 class should be discussed further. Dr. Nicodemus expressed that her concern centers around the impact on students when she has not been given enough time to do diligence.

Dr. Pedicone expressed his concern about being placed in this position and that he is still bothered by the additional cost estimate.

Superintendent Horne noted that making adjustments in the SEM is within the power of the State Board but alternative paths are up to the Legislature; however, the Board can do its best for students who don't graduate using tutoring, community college programs, additional testing programs, etc. Further discussion ensued regarding the need for adequate time to make these decisions and the dates that have been set aside for these purposes. Mr. Messmer responded that the information will be presented to the State Board on the night of May 11 and that CTB can facilitate/gather policy committees to give input so the State Board can make the final decisions by the end of the day on May 12, 2005. The NAAAC will meet on the 11th from 3PM – 6PM and then the State Board meeting begins after the NAAAC meeting ends.

Ms. Hilde noted that she had never dreamed this would be the timeframe; that the time needed by the State Board is not based upon the expectation that the State Board may reject any recommendation that comes to the Board, but rather the need for the Board to have an understanding and agreement with what will be approved. Ms. Hilde asked what contingencies have been built into the timeline based on the possibility that the State Board could not make a decision by end of the day on May 12.

Dr. Egan noted that while this is a possibility, she did not foresee this happening, noting that the State Board has the authority to set the cut scores and that it is unusual to have an issue bounce back to the standards setting group. Dr. Egan stated that one concern has been in meeting the 30-day turn-around and that other standards-setting groups in the nation have felt the same pressure to make a decision.

Ms. Hilde noted that these decisions require the members to have a knowledge base from which to make these decisions which takes time. Dr. Egan suggested that the Board could work in small groups to outline the day's progress making sure that open meeting laws are observed by meeting one-on-one. Dr. Nicodemus noted that time is needed to reflect before casting a vote.

Regarding the possible additional charges, Dr. Lewis reported that the Department has a \$1.2M shortfall and the funding would have to be requested from Legislature.

Dr. Pedicone stated that this feels like making a decision on the fly and that the Board should never find itself in this position again.

Dr. Lewis reported that the State Advisory Committee members, practitioners in the field, have scheduled the fall testing dates which could be moved based on the Board's decision. Dr. Lewis added that feedback from staff members indicates that a ripple effect would take place and cause serious concerns in terms of placement and registration.

Further discussion ensued regarding the possibility of utilizing Northern Arizona University's interactive teleconferencing capabilities to accommodate members who reside in other parts of the State and members agreed to do whatever it takes to be present for the scheduled meetings. The suggestion was also made that if some members could not come to Phoenix, they could join via telephone and the materials could be faxed to them.

Motion by Superintendent Horne to convene on May 11 at 6PM to discuss the grading score data and

re-convene on May 12 at 1:30PM to make the decisions. Seconded by Dr. Nicodemus. *Motion passes.*

C. Presentation, Discussion and Consideration to Determine Non-Compliance with the USFR for Piñon Unified School District and to Withhold State Funds Pursuant to A.R.S. §15-272(B).

Mr. Chad Sampson, Assistant Attorney General, presented background information as provided in the materials packet, noting that Piñon Unified School District is still out of compliance and requested the State Board to consider withholding additional state funds until the Auditor General reports that the district is in compliance with the USFR.

Ms. Patrice Horstman, Piñon Unified School District Governing Board Attorney, addressed the State Board stating that substantial changes in administration have happened and they are in the process of working through the following situations:

- The Superintendent quit on the first day of school so they have an Interim Superintendent;
- The Business Manager was let go and the Board is in the process of hiring a full time Business Manager;
- Recruiting quality individuals who will stay; and
- Working with auditors to assist them in taking steps to correct past errors.

Mr. Scott Keyes, Auditor, Heinfeld and Meech, noted that for five months they have been working with the Business Manager to bring Piñon's records to a point where an audit is possible. Mr. Keyes noted that the '03 audit is imminent, within the next two weeks, and the '04 audit will come right after that. Mr. Keyes has met with staff and administrators with a corrective action plan and stated that they need time to implement this plan and bring the Auditor General to the district for a review. Mr. Keyes noted that Piñon shows commitment to change and proposed that by early to mid-July the records should be ready for review.

Additional factors that were discussed:

- Ten percent, approximately \$1Million, is already being withheld due mainly to accounting issues;
- Approximately \$150,000-\$200,000 is needed to complete the financial situation clean-up;
- Piñon's capacity to sustain the progress is possible by the internal structure of work charts that have been created which allow clear delineation of duties;
- Piñon is committed to searching for a quality Business Manager with experience;
- Heinfeld and Meech will assist in the transition when a full time Business Manager is hired;
- Increasing the withholding may increase motivation;
- A search is underway for a Superintendent to be on board by June 1; and
- The Navajo County School Superintendent's Office is not involved.

Mr. Sampson noted the following serious issues that the Attorney General's Office wants resolved:

- This is 3 years and has the appearance that Piñon is almost dysfunctional;
- Federal and State withholdings did not agree with employees' W-4 and W-8 forms; and
- Classroom site funds were not accounted for which AEA is also looking at.

Mr. Sampson added that the withheld funds are not a penalty but will be paid to Piñon as soon as it comes into compliance.

Ms. Hilde noted that 80%-90% of a district's budget is for salaries and reducing personnel may not be in the children's best interest.

Ms. Horstman added that Piñon has shown its commitment and that increasing the withholding will hurt Piñon's ability to clean up their act. She noted that Piñon has spent a considerable amount in hiring Heinfeld and Meech as well as hiring outside consultants to be on site and provide day-to-day fiscal management.

Motion by Ms. Owen that no action against Piñon Unified School District be taken at this time and that the matter be tabled for 90 days. Seconded by Dr. Nicodemus. *Motion passes. Dr. Pedicone voted no.*

Clarification regarding the time delay was made by Mr. Sampson stating that Piñon cannot come back into compliance within 90 days as the Auditor General needs an additional 90 days to make sure Piñon is using the correction tools that have been put into process.

Dr. Diethelm clarified that the State Board could ask for Heinfield and Meech to come back in 90 days with an update and the matter could then be voted on or tabled again.

Mr. Keyes added that they could come back in 90 days, but coming back with the Auditor General saying Piñon is in compliance would be more substantial. This could avoid any further findings with regards to procurement, the establishment of policies and procedures, training staff, etc. Mr. Keyes added that if he comes back to the State Board he will be able to report which policies and procedures are in place and functioning but he would not be able to guarantee there would be no findings by the Auditor General.

Ms. Owen reiterated that Piñon is a failing school, an intervention plan is in place and she feels compelled to support the financial intervention plan. She added that Piñon is trying to build capacity to come into compliance and she is concerned about disenfranchising Piñon's 1600 students without this additional intervention plan succeeding.

Ms. Magdalene Haggerty, Accounting Service Director, Auditor General's Office, outlined their process as follows:

- Piñon must address all of the deficiencies in the '03 and '04 reports before the Auditor General visits Piñon to determine its compliance with USFR;
- The Auditor General's Office will make its determination on its own work after Piñon has addressed those deficiencies;
- A few months' period of time has to pass so the Auditor General's Office can see that the new procedures are in place and are working; and
- In approximately six months, the Auditor General's Office will have its own opinion based upon its own work as per statutory mandate.

Dr. Diethelm stated that the Board is looking for interim evidence that Piñon is making progress. Dr. Nicodemus added that she is looking for an update and evidence of improvement and at that time a motion could be entertained that supports an additional 10% withholding.

Ms. Jennifer Pollock, Assistant Attorney General, noted that the action taken to withhold the money would be based on the auditor's report submitted today. She added that if this matter is being tabled to review Piñon's status based on the school's report 90 days from now, at that time the Board can still go back, based on the auditor's report that exists today, to make the determination to withhold and act on the recommendations made today by the Attorney General's Office and the Auditor General's Office to withhold additional money.

The State Board broke for lunch at 12:40Pm and reconvened at 1:20PM.

D. Presentation and Discussion Regarding Proposed Revisions to the Arizona Early Childhood Education Standards.

Ms. Karen Woodhouse, Deputy Associate Superintendent, Early Childhood Education, Arizona Department of Education, presented the background information and outlined the changes/updates as provided and noted in the materials packet. Ms. Woodhouse gave recognition to staff and consultants who worked on this project noting their dedication to children as a strong motivating factor.

E. Presentation, Discussion and Consideration to Approve Alternative Secondary Professional Preparation Programs For the Following Cohorts:

Cochise Office of the County Superintendent

Glendale Union High School District

Omega Charter School

Santa Cruz County Office of the Superintendent

Ms. Jan Amator, Deputy Associate Superintendent for Highly Qualified Professionals, Arizona

Department of Education, presented the background information as provided in the materials packet.

Ms. Amator noted the following facts regarding each cohort:

- Cochise Office of the County Superintendent: 4 sites
- Glendale Union High School District: 9 sites
- Omega Charter School: 2 sites
- Santa Cruz County Office of the Superintendent: 2 sites

Ms. Amator added that each cohort submitted an application and the 9 required signed assurances. She added that within these models there are two partnerships:

- NAU Partnership with Cochise Office of the County Superintendent, Omega Charter School, and Santa Cruz County Office of the Superintendent;
 - Intense summer training beginning June 13
- IHE Partnership of 9 hours in a professional development model with the Glendale Union High School District
 - Intense summer training beginning June 6
- Alternative Secondary Path to Certification and Transition to Teaching Partnership used to support the recommended cohorts with training for all mentors through the new teachers center at Santa Cruz; training and access for all mentors to an electronic portfolio; stipends for qualified participants in high need districts.

Ms. Amator reported that costs will be determined after the number of participants in each cohort is known and it is determined how much the transition to teaching can help offset some of the tuition costs. She added that the participants are expected to bear the costs not covered by transition to teaching. Ms. Amator noted the built-in quality control:

- Visits by ADE staff
- Issuance of teaching intern certificates on a one-year basis
 - those certificates remain with the district and are not portable
- Quarterly meetings with all contacts from the County Superintendent's Office and the school district
- Surveys for data gathering developed by an outside entity
- Yearly reports by the IHE and school districts

Ms. Hilde commended the progress and accountability built into this program as well as the growth in this project. She congratulated the staff.

Motion by Ms. Hilde to approve the Alternative Secondary Professional Preparation Programs for the following cohorts:

- Cochise Office of the County Superintendent
- Glendale Union High School District
- Omega Charter Schools, Maricopa County
- Santa Cruz County Office of the Superintendent

Seconded by Ms. Owen. *Motion passes.*

F. Presentation, Discussion and Consideration of Non-Compliance Issues and Possible Withholding of State Funds and Other Corrective Action for Foothills Academy Charter School.

Ms. Kristen Jordison, Executive Director, Arizona State Board for Charter Schools, presented background information regarding the duties of the State Board for Charter Schools, for the benefit of new Board members noting that currently there are 32 charter schools under the State Board of Education's jurisdiction.

Ms. Jordison presented the background information regarding Foothills Academy as provided in the materials packet and outlined the requests that the State Board for Charter Schools has noted for Foothills Academy to be in compliance with Arizona State Statute.

Mr. Leo Condos, Legal Counsel representing Foothills Academy, addressed the State Board noting the following factors regarding Foothills Academy:

- Excelling school pioneered in the first joint group funding of charter schools in Maricopa County;
- Additional correspondence to parents was not needed because a sheet of important information is given to parents at the beginning of the school year;
- A parent objected to a voluntary enrollment fee;
- A follow-up letter will be sent to parents to eliminate any misunderstandings;
- Fingerprint issues are primarily due to renewal issues;
- Most teachers have been at Foothills for 4-5 years that had a valid fingerprint card and some have failed to renew;
- This issue has slipped between the cracks and the school is not indifferent to the law;
- The school was notified in September 2004 that 11 teachers did not have current fingerprint clearance cards and the school reminded teachers to take care of this issue;
- Two teachers still do not have current fingerprint clearance cards;
 - One teacher has fingerprints that the system does not accept and has since submitted a manual set of fingerprints;
 - The second teacher has had some difficulties with fingerprints as well but measures are being taken to get them processed;
- A 10% withholding will make a difference as to whether the light bills get paid;
- School administration is present at today's meeting to show their willingness to comply and dedication to the school;
- Follow-up letter to parents states that:
 - The \$100 deposit was not a fee for enrollment or re-enrollment and the deposit was not a condition of re-enrollment;
 - The re-enrollment form was to insure an accurate enrollment picture which affects state funding in the school's budget and adequately prepare for the upcoming school year;
 - The deposit was credited to the student's '05-'06 program support fee;
 - Refunds will be made to any student not enrolled or for other reasons which may be requested in writing.

Ms. Hilde noted her concern regarding the school having teachers without fingerprint clearance cards six months after the school was notified of this deficiency. Ms. Hilde stated that the fingerprint clearance card is the only protection, gate-keeper, we have around people who have daily contact with children and the lack of fingerprint clearance cards puts children in jeopardy.

Dr. Nicodemus noted that the school was notified in October 2004 and March 2005 and 11 of 28 teachers still did not have current fingerprint clearance cards. She asked what the motivation was to get 9 of the 11 fingerprint clearance cards done in the one month since March 2005. In addition, Dr. Nicodemus stated that it appeared the school was making an excuse for what could be better management when it suggested that parents were confused about the \$100 fee.

Mr. Condos added that all teachers at Foothills Academy were initially issued fingerprint clearance cards and now it is a matter of renewals. He added that the school now has a process in place to remind teachers 60 days and 30 days prior to the expiration of their fingerprint clearance card. In addition, Mr. Condos stated that until the new fingerprint clearance card is received, the teacher can remain employed at the school but will not be in a supervisory position or have teaching responsibilities.

Mr. Yanez clarified that a teacher in public district schools must have a current teaching certificate and a fingerprint clearance card. A charter school teacher only has to have a fingerprint clearance card. Further, Mr. Yanez clarified that if a fingerprint clearance card has expired, the Investigative Unit will not be notified in case a teacher is arrested for any reason.

Mr. Jordison read an excerpt from A.R.S. § 15-183 (C) (4) which states "...all persons engaged in instructional work directly as a classroom, laboratory or other teacher, or indirectly as a supervisor or teacher, speech therapist, or principal shall have a fingerprint clearance card." Ms. Jordison noted that the "shall have" is interpreted by the State Board for Charter Schools as those on staff and working in this capacity must possess a fingerprint clearance card. Ms. Jordison added that the issue today is focused on the staff required to have a fingerprint clearance card. Mr. Jordison also stated that one of the teachers has a fingerprint clearance card that expired last August and there is no evidence in the documentation received by the State Board for Charter Schools that the other teacher had a fingerprint clearance card in the past. Ms. Jordison stated her appreciation for the school's cooperation in the last month, but unfortunately there was not evidence of progress before that.

Dr. Nicodemus raised the question regarding the timeframe to institute a withholding penalty and the timeframe for the two teachers to get fingerprint clearance cards, which would bring the school into compliance.

Ms. Jordison noted that the State Board for Charter Schools is comfortable that the fees issue has been dealt with, that they are expecting the fingerprint clearance cards to be forthcoming, and that they would like to see implementation of the new policy and procedure proposed by the school. Ms. Jordison added that if the school is able to come back into compliance by May 5, 2005, the Department could be notified to not withhold the money.

Ms. Mendoza noted that charter schools are held to a high level of accountability and this case is an example of the State Board for Charter Schools stepping in and advising a charter school at an early date making sure they know they may be out of compliance.

Mr. Condos added that the school took action and the teachers were motivated by the notification from the State Board for Charter Schools.

Motion by Ms. Kramer to withhold 10% of the monthly state aid from Foothills Academy until documentation is received from the School that all applicable staff possess a valid fingerprint clearance card and that the school has submitted a corrective action plan that outlines specific implementation of policies & procedures that ensure compliance with A.R.S. § 15-183.C.4 going forward from this date. Further, the Board puts Foothills Academy on notice that all future correspondence to parents regarding school fees must be clear and within the law. Seconded by Ms. Hilde. *Motion passes.*

Ms. Mendoza suggested an addition to the motion to notify the Arizona Department of Education as soon as Foothills Academy has met the requirements and the moneys will not be withheld.

Ms. Kim Anderson, Assistant Attorney General, Advisor to the Arizona State Board for Charter Schools, added that the process for withholding funds states that:

- The school must submit a corrective action plan designed to correct the problem, and
- Once the school has corrected the problem, the 10% withholding will stop.

Ms. Anderson noted that once the materials ordered through this motion have been received, Ms. Jordison will contact the Department telling them that the withholding can be lifted. If materials are received on or before May 5, 2005, the withholding can be averted altogether. In response to Dr. Pedicone's inquiry, Ms. Anderson stated that it is her understanding the fingerprint clearance card applications have been submitted and the teachers are waiting for them to be processed. Ms. Anderson specified that a staff member should never, for any period of time whatsoever, be without a fingerprint clearance card and the periods of time that Foothills Academy staff members did not have fingerprint clearance cards varies.

G. Presentation, Discussion and Consideration of Non-Compliance Issues and Possible Withholding of State Funds for Developing Innovations in Navajo Education, Inc. (DINE, Inc.).

Ms. Kristen Jordison, Executive Director, Arizona State Board for Charter Schools, presented background information noting that DINE had fingerprint clearance card issues which have now been brought into compliance and noted no action is to be taken.

Ms. Hilde asked if the State Board, as a sponsor of DINE, can request student achievement records.

Ms. Jordison responded that the 5-year review visit is forthcoming and can be reported to the State Board next month, which will include the Department of Education performance label and whether the charter's academic goals have been achieved.

H. Presentation and Discussion Regarding the National Assessment Of Educational Progress (NAEP).

Dr. Cindy Paredes Ziker, State National Assessment of Educational Progress (NAEP) Coordinator, presented background information and provided a complete packet of information regarding the NAEP program. (Please see information in materials packet) Dr. Ziker noted that this is the only national comparison given bi-annually to students across the country and currently there are three studies ongoing:

- National Indian Education Study
- High school transcript review
- ELL and Special Education studies

Dr. Ziker noted one other study that is going on now has to do with a video they produced with a message from Superintendent Horne which is being looked at nationally as a motivator regarding how students participated in NAEP this year.

Dr. Ziker stated that they are working with the National Assessment Governing Board, which meets every four months, to make a 12th grade NAEP look more like a college or work readiness assessment. They are also considering providing individual feedback to NAEP participants and making 12th grade NAEP mandated for Math and Reading. Dr. Ziker noted that these changes would be in effect in 2007 if they are voted on in May. She noted that if this happens, there will be a 12th grade state report card that can be compared to our AIMS and high school assessments.

Dr. Ziker added that in the Fall there will be a state NAEP comparison study looking at the AIMS and NAEP results. Dr. Ziker pointed out some of the differences, noted in her newsletter, between NAEP and AIMS, i.e., NAEP provides manipulatives such as slide rules, calculators, etc.

Superintendent Horne pointed out that the State cannot afford to supply manipulatives and it has a different philosophy in this regard. He suggested three things that can be done to raise our NAEP scores:

- Positive efforts to create videos that will motivate students to do their best;
- Align standards so students will be able to answer the questions more successfully; and
- Encourage higher socio-economic schools to participate.

Dr. Ziker pointed out that the results are available every other year and that her Fall report will have more detail and implications of the results. Dr. Ziker pointed out some things that have been accomplished between '03 and '05:

- Newly articulated standards were revealed to schools in 2003 which were highly aligned with NAEP;
- Interventions of Reading First and AZ READS; and
- Numerous NAEP workshops with teachers, principals and in some cases, with students to assist in understanding NAEP.

~~I. Presentation, Discussion and Consideration of Nogales Unified School District's Request to Assume Accounting Responsibility Pursuant to A.R.S. 15-914.01.~~

J. Presentation and Discussion Regarding AIMS Scores on High School Transcripts and Previous Board Action Pursuant to A.R.S. 15-743.

Mr. Vince Yanez, Executive Director, Arizona State Board of Education, reported what the State Board's responsibility is in this regard. The above-referenced statute states that each pupil's AIMS test results for grade 12 shall be recorded on the pupil's high school transcript and that the State Board of Education shall prescribe the format for recording AIMS test results on high school transcripts. Mr. Yanez noted that the State Board considered this requirement in 1999 and ruled that with the class beginning in 2002 a pupil's AIMS scores shall be recorded on their transcripts indicating their performance level and scale score. Mr. Yanez pointed out that it was not clear as to whether the pupil's running scores would be included or whether just the final score would be on the transcript, but added that at that time the State Board interpreted the law to mean that just the pupil's highest score would be on the transcript. Mr. Yanez included a format for that information as provided in the materials packet. Mr. Yanez added that since scores are now articulated by grade level and no longer by content levels, it would seem sensible to adjust the transcript information to reflect this and put it in Board policy.

Superintendent Horne stated that in the past specific student achievements had been recognized via certificates and he is exploring the possibility of reviving that practice and including AIMS test achievements.

Mr. Yanez noted that many school districts are not complying with this requirement. Ms. Alley noted that many transcripts are electronic so peel-off labels have not been requested from the testing company. Superintendent Horne stated that he can remind districts of this requirement in his newsletters and Mr. Yanez reported that his understanding is that the Department has the format and will be notifying schools in their newsletters as well.

Ms. Owen asked if these scores are in SAIS and could be generated from those records and printed on the transcripts. Dr. Pedicone noted that this information needs to get to the curriculum folks at the districts. Ms. Alley stated that from visiting with test coordinators, she understood they had stopped doing this since the requirements had been pushed back to '06. Ms. Alley added that they don't understand that the requirement has continued even though '02 was no longer the required date. She added that districts would love to have this information when accepting students from other districts. Ms. Alley stated that discussions are ongoing with MIS regarding having this information in SAIS data. Ms. Alley added that updated information can be sent out through multiple list serves to inform as many people that are involved as possible.

K. Consideration to Approve of Notice of Proposed Rulemaking For R7-2-1116 and R7-2-1116.01, Regarding Alternative Project Delivery Methods.

Mr. Vince Yanez, Executive Director, Arizona State Board of Education, noted that this item has been withdrawn from the agenda.

6. ADJOURN AS THE STATE BOARD OF EDUCATION AND RECONVENE AS THE STATE BOARD FOR VOCATIONAL AND TECHNICAL EDUCATION.

Motion at 2:50 PM by Ms. Hilde to adjourn as the State Board of Education and reconvene as the State Board for Vocation and Technical Education. Seconded by Ms. Kramer. *Motion passes.*

7. CONSENT ITEMS

A. Consideration to Approve the Extension of Arizona's Current Carl D. Perkins State Plan.

Motion by Mr. Ary to approve the extension of Arizona's current Carl D. Perkins State Plan. Seconded by Dr. Pedicone. *Motion passes.*

8. ADJOURN

Motion at 2:55PM by Ms. Basha to adjourn. Seconded by Dr. Nicodemus. *Motion passes.*